



Steven L. Beshear
Governor

PUBLIC PROTECTION CABINET

Robert D. Vance
Secretary

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Sharon P. Clark
Commissioner

October 29, 2008

TO: All Insurers Admitted to Write Vehicle Insurance in Kentucky

FROM: Sharon P. Clark, Commissioner

RE: Insurance for Low-Speed Electric Vehicles pursuant to [Executive Order 2008-824](#)
Insurance for Golf Carts pursuant to [KRS 189.286](#) and

This year has seen an expansion of the types of vehicles which must be insured as motor vehicles if they are to be used on public roadways in Kentucky. We expect most of these vehicles will be owned and operated by individuals and insured under personal auto policies.

This is a reminder that all personal auto rates, supplementary rating information (manuals, rules, etc.) as well as forms must be filed with this Department. Insurers who elect to offer coverage to these vehicles will need to submit their filings. Insurers who elect not to offer coverage to such vehicles should review their policy provisions and file appropriate revisions as well.

What insurance is required?

The insurance which must be provided or made available to these vehicles is the same as all other motor vehicles (except motorcycles). KRS 304.39-080(5) and KRS 304.39-110 require at least \$25,000 bodily injury per person - \$50,000 bodily injury per accident - \$10,000 property damage, or \$60,000 combined single limit, and \$10,000 basic reparation benefits per person per accident. KRS 304.20-040 states no automobile or motor vehicle liability policy of insurance shall be issued without uninsured motorist (UM) coverage unless this coverage is rejected in writing by the named insured. KRS 304.39-320 requires underinsured motorist (UIM) coverage to be made available.

Can someone reject "no-fault" only for golf carts and low speed electric vehicles?

No, individuals cannot reject the limitations on their tort rights only for these vehicles. The only carve out for "no-fault" rejections is for motorcycles. KRS 304.39-060(9).

What about Proof of Coverage?

Proof of Coverage cards must be provided to the insured. These cards should comply with [KRS 304.39-117](#) and [806 KAR 39:070](#). In addition, coverage for these vehicles should be included in the required electronic reports to the Transportation Cabinet pursuant to the [Kentucky Automobile Liability Insurance Reporting Guide](#).

Questions should be directed to Robin Coombs, Assistant Director, Property & Casualty Division, phone (502) 564-3630 ext 4294 or Robin.Coombs@ky.gov.



STEVEN L. BESHEAR
GOVERNOR

EXECUTIVE ORDER

2008-824
August 5, 2008

Secretary of State
Frankfort
Kentucky

RELATING TO LOW-SPEED ELECTRIC VEHICLES

WHEREAS, gasoline and diesel prices are at record highs, with the average price for a gallon of gas now hovering near \$4.00 nationwide – the highest ever if adjusted for inflation, and oil is regularly trading over \$120.00 a barrel; and

WHEREAS, a *USA Today*/Gallup poll showed that Americans are driving fewer miles, a decline not seen since 1979, despite increases in population, households, drivers and vehicles; and

WHEREAS, families throughout the nation are feeling the pinch, with 60 percent of Americans trimming other expenses to pay for rising fuel costs and even more changing their driving habits to save money on fuel; and

WHEREAS, I recently directed the Kentucky Transportation Cabinet (“Cabinet”) to investigate the ramifications of allowing low-speed electric vehicles to operate on Kentucky’s highways, including any safety or other issues; and

WHEREAS, the Cabinet has advised me that under the conditions set out below, such vehicles can operate safely on Kentucky’s highways; and

WHEREAS, the Cabinet for Economic Development and other state and local agencies are currently engaged in efforts designed to retain and recruit major manufacturers of low-speed electric vehicles which ultimately impact the state’s economy in a significant way; and

WHEREAS, allowing the use of such vehicles will provide Kentuckians a way to save energy costs and at the same time reduce their carbon footprints:



STEVEN L. BESHEAR
GOVERNOR

EXECUTIVE ORDER

2008-824
August 5, 2008

Secretary of State
Frankfort
Kentucky

NOW THEREFORE, I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, by virtue of the power and authority vested in me by the Constitution and laws of Kentucky, and KRS 12.029, do hereby ORDER and DIRECT the following:

1. The Secretary of the Transportation Cabinet shall immediately develop and implement the following standards by emergency regulation for authorizing the use of Low Speed Electric Vehicles upon Kentucky's highways:
 - A. Low-speed electric vehicle means a motor vehicle that:
 - (1) Is designed to operate at a speed of not more than fifty (50) miles per hour;
 - (2) Is self-propelled using an electric motor;
 - (3) Is three (3) or four (4) wheeled;
 - (4) Meets or exceeds the federal motor vehicle safety standards for low-speed vehicles set forth in 49 C.F.R. sec. 571.500; and
 - (5) Displays a seventeen (17) character vehicle identification number that meets the requirements set forth in 49 C.F.R. pt. 565.
 - (6) A person may operate a low-speed electric vehicle on a highway in this state if:
 - (i) The posted speed limit of the highway is forty-five (45) miles per hour or less;
 - (ii) The operator of a low-speed electric vehicle does not cross a roadway at an at-grade intersection where the roadway being crossed has a posted speed limit of more than forty-five (45) miles per hour unless the intersection is equipped with an electronic traffic signal;
 - (iii) The operator has a valid operator's license in his or her possession; and
 - (iv) The low-speed electric vehicle has not been modified to increase its speed above its original standard manufactured limit.




STEVEN L. BESHEAR
GOVERNOR

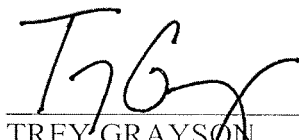
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- B. A low-speed electric vehicle operating on a highway shall be insured in compliance with KRS 304.39-080 by the owner or operator, and the proof of insurance shall be inside the vehicle at all times of operation on a highway.
 - C. A low-speed electric vehicle operating on a highway is considered to be a motor vehicle as defined in KRS 186.010(4) and shall be titled in accordance with KRS Chapter 186A and registered as a motor vehicle in accordance with KRS 186.050(3)(a).
 - D. An operator of a low-speed electric vehicle operating on a highway shall comply with the traffic regulations of KRS Chapter 189 and shall be subject to the provisions of KRS Chapter 189A.
2. The Secretary of the Transportation Cabinet shall report to me, no later than December 1, 2008, any recommendations for legislation, additional regulation, or other policy and procedures, to facilitate the safe use of low speed electric vehicles in Kentucky.
3. The Transportation Cabinet, the Department of Revenue and the Department of Insurance shall take all necessary steps to implement this order.


STEVEN L. BESHEAR, GOVERNOR
Commonwealth of Kentucky


TREY GRAYSON
Secretary of State